

~~Hanly - Cross - Friedman~~

1 Q. It's in the papers that the debtor submitted to the
2 Court. There's a citation to it but the debtors put it in
3 their papers.

4 A. I can't disagree with the statement. I just don't
5 recall -- frankly, I don't recall this portion of the
6 submission.

7 Q. Well, this submission generally, and feel free to take a
8 look at it if you like, is about the asbestos litigation, it's
9 entitled, as you'll see on Page 17, the Tort System Has Proven
10 Incapable of Efficiently Resolving Litigation Arising From
11 Asbestos-related Illness.

12 A. Yes.

13 Q. Did you participate in the drafting of this section?

14 A. I frankly don't recall. I certainly, obviously,
15 recognize that I signed it or put my name on it, I don't
16 recall whether I drafted this section or not.

17 Q. Would you agree aggregation has increased the pressure to
18 settle claims brought by individuals when they have suffered
19 no injury or do not have current significant impairment?

20 A. That was a phenomenon which occurred from time to time.

21 Q. And another way that the debtors described the tort
22 system was that unimpaired claimants were often compensated on
23 the same basis as the impaired because the tort system had
24 encouraged the parasitic fusion of strong and weak cases.

25 A. Well, it certainly says that. I don't recall -- I

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1 frankly don't recall expressing that thought or writing this
2 at the time.

3 Q. But the debtors weren't trying to mislead the Court when
4 they put that in that statement?

5 A. I certainly don't think so.

6 Q. Now, the next page, it says on the top line, at least in
7 part, as a result of the aggregation of large numbers of
8 impaired and so-called unimpaired claims, the tort system has
9 encouraged additional filings.

10 A. Yes.

11 Q. Is that something also that you agreed with?

12 A. I frankly don't recall whether I agreed or disagreed with
13 it at the time. But again, as I said, I acknowledge that I
14 reviewed this and my name is on it.

15 Q. At the top of the next paragraph it refers to mass
16 screening programs which have fostered huge numbers of claims
17 by those who are unimpaired. Were you familiar with mass
18 screenings, sir?

19 A. Yes.

20 Q. Sure. And did they, in fact, foster huge numbers of
21 claims by those who were are unimpaired?

22 A. They generated huge numbers of claims, many of those
23 claims were impaired claims.

24 Q. But they also fostered huge numbers of claims by those
25 who were unimpaired, is that right?

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1 A. That's certainly what this says. And I'm not contesting
2 or arguing that it doesn't reflect the position we took on
3 behalf of the debtor at the time.

4 Q. And that was a position that the debtors believed, is
5 that right, when they submitted it to the Court?

6 A. I suspect that they did.

7 Q. Did you ever tell the debtors that this brief wasn't in
8 good faith or was inaccurate?

9 A. No.

10 Q. If you look at Page 22 -- I'm sorry. 000100022.

11 A. Just give me one second, sir.

12 Q. That's actually the next page.

13 A. Right.

14 Q. And in there you also see that even a prominent
15 plaintiff's attorney acknowledged in the early 1990's that
16 there were gross abuses of our system, we have lawyers who
17 have absolutely no ethical concerns for their own clients that
18 they represent. We have untrammelled screenings of marginally
19 exposed people and the dumping of tens of thousands of cases
20 in the court system which is chronic and should be stopped.

21 Is that something debtors also believed in 2001?

22 A. I can't say whether the debtors believed that or not. I
23 recognize it reflects statements that Mr. Motley, one of the
24 prominent plaintiff's attorneys, made at a talk he gave in the
25 early '90's.

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1 Q. And as cited in the brief, the debtors submitted it to
2 the bankruptcy court?

3 A. Absolutely.

4 Q. If you look a little further down in the last partial
5 paragraph on that page, it also says a large number of claims
6 are generated based on questionable diagnostic techniques.

7 A. Yes.

8 Q. Was that consistent with your experience?

9 A. There certainly were -- as we spoke about on direct
10 examination, there certainly were diagnosing physicians who I
11 don't think anyone had great regard for their diagnostic
12 abilities and as to whom cases where they were the diagnosing
13 physician were resolved for small dollars because of that very
14 reason.

15 Q. Do you remember was there a Dr. Ray Harron who was among
16 the doctors with a bad reputation?

17 A. Yes, sir, certainly.

18 Q. Do you remember whether Dr. Harron was one of the most
19 prolific B Readers out there?

20 A. I remember that. I remember certainly knowing about that
21 at the time, yeah.

22 Q. You do you remember a Dr. Ballard also being a very
23 prolific B Reader?

24 A. Is he from Texas?

25 Q. He's from Mississippi.

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1 A. Ah, yes, I do.

2 Q. And did he also have a reputation for over reading?

3 A. I recall Dr. Herron's reputation, I don't specifically
4 recall Dr. Ballard's.

5 Q. Do you recall whether there were PFT laboratories that
6 were known for submitting doctored results on their tests?

7 A. I know that there were allegations of such of
8 laboratories and I know that Owens-Corning sued a whole bunch
9 of those folks, but beyond that I don't have any knowledge.

10 Q. Do you know that Owens-Corning settled that case and
11 received money as a result of that settlement?

12 A. I don't know that, no, sir.

13 Q. Sir, if you'd look at page 00100023.

14 A. Yes, sir.

15 Q. In the last full paragraph above B.

16 A. Yes.

17 Q. And so the debtors wrote here: In summary, despite the
18 fact that any meaningful workplace exposure to asbestos long
19 ago ceased, the flow of cases continues unabated. The sheer
20 numbers of asbestos cases has led to several distortions of
21 traditional process for resolving tort claims?

22 A. Yes.

23 Q. Do you also recall that was the debtors's position in
24 2001?

25 A. I don't, but certainly clearly on the face of it, it was

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1 the debtor's position as reflected in the filing of this
2 brief.

3 Q. You talked about the scorched earth tactics of
4 Owens-Corning Fiberglass before.

5 A. Yes, sir.

6 Q. But after 1998 Owens-Corning actually adopted a more
7 conciliatory strategy, isn't that right?

8 A. Yes, they had something call the NSP.

9 Q. And that was pretty simple her to the T&N CCR/SSP
10 settlement agreement?

11 A. Yeah. Well, yes.

12 Q. Program?

13 A. Yes, that's right. CCR tried to emulate the NSP program
14 at least initially.

15 Q. And they, OC, used inventory settlements that were at
16 least similar to the SSP settlements?

17 A. Correct.

18 Q. Ands Owens-Corning went bankrupt two years after the
19 inventory settlements program began; isn't that right?

20 A. Yeah, they went into bankruptcy I believe in 2000.

21 Q. I have one more question about Exhibit Number 10.

22 A. Yes.

23 Q. If you look on page 00100031.

24 A. Right.

25 Q. And if you look above Section 4, the second to last

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1 sentence starts with "thus?"

2 A. Yes.

3 Q. And it says thus, by year-end 2000 the debtor's annual
4 expenditure to deal with the asbestos problem had climbed to
5 350 million dollars. Is that correct to your knowledge?

6 A. Yes.

7 Q. And the debtors were on track to duplicate the
8 \$350 million in annual expenditures in 2001, isn't that also
9 right?

10 A. Well, that's what this says, but I don't recall
11 participating in this particular sentence.

12 Q. But you don't have any reason to believe the debtors were
13 trying to mislead the court by saying that?

14 A. No, certainly not. I think that's what they thought at
15 the time.

16 MR. FRIEDMAN: Your Honor, I'd move for the admission
17 of Exhibit 10 into evidence.

18 MR. FINCH: Your Honor, I object, this is not an
19 admission of the Asbestos Claimants Committee or the FCR, it's
20 hearsay. It's offered by a party that's not even a
21 participant to these proceedings. He can use it to
22 cross-examine Mr. Hanly for impeachment purposes, but it
23 doesn't come into evidence.

24 MR. FRIEDMAN: Your Honor, I would say that first of
25 all the notion that the debtors are not a party to this

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1 proceeding I think elevates form over function. The debtors
2 are proponents of the plan of reorganization, that expressly
3 incorporates the estimate that's being put forward by these
4 plaintiffs. So to somehow suggest that they're not, you know,
5 in effect parties in interest and really parties to this
6 litigation I think is not accurate.

7 Additionally, I think that under the residual
8 exception, this certainly indicates -- this document certainly
9 has indicia of reliability, it was submitted to a Bankruptcy
10 Court, there was no attempt to be misleading in it and it
11 states the -- it states the essentially impressions of the
12 debtors as to what the asbestos liability system looked like
13 in 2001 and what had caused it to be there, which is really at
14 the very essence of this case.

15 MR. FINCH: Your Honor, it's not binding on the
16 Asbestos Claimants Committee or the Future Claimants
17 Representative, it's not an admission. I don't believe that
18 statements that are full -- a brief that is full of citations
19 to newspaper articles and bar review articles by Lester
20 Brickman has the type of indicia of liability that the
21 catchall exception relates to. And it is inadmissible as to
22 the ACC and the FCR, and the caption of this case is ACC/FCR
23 plaintiffs versus Property Damage Committee, the debtors are
24 not a party to this proceeding.

25 THE COURT: I'm going to sustain the objection on

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1 this basis. To the extent that this document was used, it's
2 not a document that is from the ACC, it was used essentially
3 for the purpose of impeachment, I would assume, and many of
4 the statements that are contained in the document are
5 citations from other cases, that I again assume were used for
6 the purpose of advocacy and not direct statements made by this
7 witness. Only to the extent that he acknowledged that it was
8 his statement, he agreed with the statement or participated in
9 the construction of the statement, beyond that, we're more in
10 the realm of hearsay.

11 And frankly, with respect to the statements that are
12 made within an advocacy brief, I can't tell clearly whether
13 they're damming the legal profession or the medical
14 profession. So I think what we have to do is take it for what
15 was utilized for, and to the extent that it's legitimate
16 impeachment it could be utilized for that purpose, but not as
17 a document to be admitted in evidence.

18 MR. FRIEDMAN: Your Honor, I would just note that it
19 is styled as an informational brief rather than an advocacy
20 piece for purposes of use in the Bankruptcy Court.

21 THE COURT: Well, see, what I'm trying to do is make
22 a distinction between -- and I'll be very frank with you. If
23 I were to accept every exaggerated statement made in a brief
24 that's given to me in the form of advocacy, I'd be finding bad
25 faith in maybe 80 percent of the cases that I hear. So, I will

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1 take it at face value for whatever merit it had for the
2 purpose of impeachment, which is its proper use, to the extent
3 it was acknowledged confirm by the witness, but not as a
4 document to be admitted into evidence.

5 MR. FRIEDMAN: Thank you, your Honor. May I have a
6 moment to just confer with my colleagues before hopefully
7 wrapping up my examination?

8 THE COURT: Yes you may.

9 (Short pause)

10 MR. FRIEDMAN: Your Honor, if I can request a
11 five-minute recess so I may just confer outside of the Court
12 with my colleagues before wrapping up.

13 THE COURT: Yes, you may. Just let us know when you
14 are ready to come back.

15 MR. FRIEDMAN: Thank you, your Honor.

16 THE COURT: And consider this our afternoon recess.

17 MR. FRIEDMAN: Thank you, your Honor.

18 MR. FINCH: Thank you, your Honor.

19 (Short recess)

20 THE COURT: You may be seated.

21 BY MR. FRIEDMAN:

22 Q. Mr. Hanly, historically you've done asbestos personal
23 injury and property defense work; is that right?

24 A. Yes, sir.

25 Q. Your firm just signed a strategic alliance with what I

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1 describe as the leading asbestos law firm in the country, is
2 that also right?

3 A. We have a joint venture agreement, yes, sir.

4 Q. And I believe you testified that you had no specific
5 recollection of any mesothelioma settlements after Hoskins, is
6 that right?

7 A. I don't have a specific recollection.

8 Q. You testified on direct about increases in values of
9 mesothelioma cases from 80,000 to \$130,000?

10 A. Yes.

11 Q. Do you recall what the basis for that information was?

12 A. Yes. There is some sort of a summary chart that I saw
13 that I believe comes from the database that reflects those
14 increases in average cost.

15 Q. Do you recall who prepared that chart?

16 A. No, I don't.

17 Q. Now, I understand you said that punitive damage were not
18 allocated in settlements?

19 A. Yes, sir.

20 Q. Is it your view that plaintiffs' lawyers do not
21 considerate the threat punitive damages -- the risk of
22 punitive damages being awarded in making settlements demands?

23 MR. FINCH: Objection. What was in the minds of the
24 Plaintiffs' lawyers, unless they expressed it to him was --

25 THE COURT: I'll sustain the objection.

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1 BY MR. FRIEDMAN:

2 Q. Did you believe the plaintiffs' lawyers took the threat
3 of punitive damages into their settlements demands?

4 MR. FINCH: Objection. Same objection, your Honor.

5 THE COURT: Sustained. I would imagine if he's
6 involved in the litigation, the discussion for settlement
7 would have raised the concept of punitive damages. To the
8 extent it was raised to him specifically, I think he could
9 answer that.

10 THE WITNESS: It may have occasionally been expressed
11 to me, Mr. Friedman, by plaintiffs' lawyers but not on any
12 sort of regular basis.

13 BY MR. FRIEDMAN:

14 Q. Consistent with your duty as an attorney for a publicly
15 traded company in trying to minimize this liability, didn't
16 you take the risk of big punitive damages into account in any
17 way when deciding cases?

18 A. Deciding whether to settle cases?

19 Q. Yes.

20 A. Sure.

21 Q. And the amount for which would you agree to settle a
22 case?

23 A. No, it didn't really factor into the amount, sir, it
24 factored into the question of whether the risk was going to be
25 taken to try the case or not.

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1 Q. Now, you also said on direct that verdicts were one
2 factor that you considered in pricing cases; is that right?

3 A. Yes, sir.

4 Q. Was that just verdicts for T&N or is that verdicts in
5 general that were being returned?

6 A. Verdicts in general.

7 Q. And there were other defendants who were having punitive
8 damages imposed against them, weren't there?

9 A. Yes, sir.

10 MR. FRIEDMAN: I have nothing further, your Honor.

11 THE COURT: Thank you. Any redirect?

12 MR. FINCH: Brief redirect, your Honor.

13 THE COURT: Yes.

14 (REDIRECT EXAMINATION OF MR. HANLY BY MR. FINCH:)

15 Q. Mr. Hanly, did Turner & Newall ever pay a settlement to
16 an asbestos plaintiff who alleged that they were exposed to
17 asbestos but who had not yet been diagnosed with an
18 asbestos-related disease?

19 A. Not to my knowledge.

20 Q. What is your understanding of the word "unimpaired?"

21 A. In the context of asbestos litigation, unimpaired means a
22 claimant who may exhibit signs of injury on x-ray or at
23 autopsy on pathology, but who in his or her lifetime doesn't
24 exhibit any decrease in lung function or the like.

25 Q. Any decrease as measured by some kind of particularized

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1 lung function test?

2 A. Yes, what's called spirometry or pulmonary function test.

3 Q. Do almost all of the nonmalignant claimants allege in
4 their complaints that they're sick or have a disease as a
5 result of exposure to asbestos?

6 A. Every plaintiff's complaint alleges a disease, whether
7 they're a malignant claim, a nonmalignant claim or a so-called
8 unimpaired claim.

9 Q. And do nonmalignant claimants routinely testify to juries
10 about how having a nonmalignant disease like asbestosis
11 affects them even though they don't have pulmonary function
12 test scores that show a decline?

13 A. Sure. That testimony is typically that they suffer from
14 shortness of breath or other similar lung related maladies.

15 Q. And that type of testimony is frequently admitted in
16 asbestos personal injury cases?

17 A. Yes, it is.

18 Q. You said that you didn't have any specific recollection
19 of a specific mesothelioma settlement post-Hoskins, but you do
20 have a recollection of the trend for the mesothelioma
21 settlement values in 2001 as compared to the years before?

22 A. Yes. I mean, we were very cognizant when we left the CCR
23 within a couple of months that the prices of mesothelioma
24 cases were rising substantially.

25 Q. There was a discussion of problematic jurisdictions for

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1 Turner & Newall. Was New York City a problematic jurisdiction
2 for Turner & Newall?

3 A. Very much so.

4 Q. What about Northern California?

5 A. Very much so.

6 Q. There was a discussion of this Hercules policy. Let me
7 just see if I understand this. The first 500 hundred million
8 pounds was self-insured, Turner & Newall had that liable, the
9 insurance didn't pay it; is that right?

10 A. That's my understanding of the policy.

11 Q. And then the next 690 million pounds would be paid by the
12 insurers for the claims that reached that level of retention?

13 A. If they didn't deny coverage.

14 Q. If they didn't deny coverage. And there is a coverage
15 dispute relating to that right now, is that correct?

16 A. Correct.

17 Q. And above the 690 million pounds retention, who had the
18 liability then?

19 A. Turner & Newall.

20 Q. How is it you were able to win the Chase property damage
21 case in the face of Turner & Newell's corporate documents when
22 it had no real defense on liability in the personal injury
23 cases?

24 A. Because Chase had its own cache of documents that
25 completely undercut its claims in the case.

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1 Q. I'd like to turn your attention to Defendant's Exhibit 71
2 and specifically to one of the references that Mr. Friedman
3 directed you to on page 710004.

4 A. Yes, sir.

5 Q. Could you read the quote from the Turner & Newall
6 document at the end of the second paragraph where it begins we
7 have over the years been able?

8 A. Yeah. We have over the years been able to talk our way
9 out of claims or compromise for comparatively small amounts,"
10 Lyman quoted the lawyer for the defendant then known as Turner
11 & Newall, "but we have always recognized that at some stage
12 solicitors of experience would recognize there is no real
13 defense to these claims and take us to trial.

14 Q. Had that started to happen in 2001 when Turner & Newall
15 reverted to being a stand alone defendant?

16 A. Yes.

17 MR. FINCH: Your Honor, I have nothing further.

18 THE COURT: Any recross of those points?

19 MR. FRIEDMAN: No, your Honor.

20 THE COURT: All right. Thank you, Mr. Hanly, you are
21 excused.

22 THE WITNESS: Thank you, your Honor.

23 (Witness excused).

24 THE COURT: The plaintiff's next witness.

25 MR. INSELBUCH: Your Honor, I'd ask my colleague Mr.

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1 Bissell to call the plaintiff's next witness.

2 MR. BISSELL: Your Honor, plaintiffs call Andrea
3 Crichton. Ms. Crichton.

4 MR. FINCH: Your Honor, for planning purposes could
5 you inform the parties as to how late the judge intends to sit
6 today?

7 THE COURT: Well, today and tomorrow until 4:30 only
8 because we're honoring our Chief Judge tonight up in New
9 Brunswick and we have committed to be present for that.
10 Tomorrow there is a Federal Bar commitment. Beyond that, we
11 would go beyond 4:30 to whatever point would be necessary to
12 complete whatever function is taking place. So except for
13 these two days where I want to recess pretty much on time,
14 it's open to the circumstances of the afternoon.

15 MR. FINCH: Okay, thank you, your Honor.

16 (ANDREA CRICHTON, HAVING BEEN DULY SWORN, TESTIFIED AS
17 FOLLOWS:).

18 THE COURT: You may be seated.

19 (DIRECT EXAMINATION OF MS. CRICHTON BY MR. BISSELL:)

20 Q. Good afternoon, Ms. Crichton.

21 A. Good afternoon.

22 Q. Could you tell the Court what your current position is?

23 A. My current position with Federal-Mogul is U. K. Asbestos
24 Claims Manager.

25 Q. And how long have you had that position?

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1 A. That particular position since around 1994.

2 Q. Before discussing your current position in detail as
3 Asbestos Claims Manager, I'd like to discuss with you your
4 history at T&N before you held that position.

5 MR. BISSELL: And I do not have a witness binder for
6 this witness, your Honor. I have but one exhibit. And with
7 your permission, I'd like to approach the witness and hand
8 that exhibit up.

9 THE COURT: Yes, you may.

10 MR. BISSELL: I'm handing the witness what has been
11 presently marked as Plaintiffs' Exhibit 18, the curriculum
12 vitae of Andrea Crichton.

13 BY MR. BISSELL:

14 Q. Ms. Crichton, you have Exhibit 18 before you. Is this
15 your curriculum vitae?

16 A. It is.

17 Q. Did you prepare it?

18 A. I did.

19 Q. Does it show your complete employment history with some
20 description?

21 A. Yes, it does.

22 MR. BISSELL: I'd like to offer Exhibit 18 into
23 evidence, please.

24 THE COURT: Counsel?

25 MR. STROCHAK: I'm sorry, your Honor, no objection.

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1 THE COURT: P-18 is in evidence.

2 (PLAINTIFF EXHIBIT P-18 WAS RECEIVED IN EVIDENCE).

3 BY MR. BISSELL:

4 Q. When did you first go to work for T&N?

5 A. In January 1985.

6 Q. And what was your initial position there?

7 A. I was a legal assistant.

8 Q. And who did you work for?

9 A. I reported to the Group Solicitor, John Atkinson.

10 Q. What is a group solicitor, that's a term that's not --

11 A. It would be like your general counsel.

12 Q. What sort of work were you doing with Mr. Atkinson when
13 you first went to work at T&N?

14 A. I think initially there were two elements to it. I was
15 assisting in some of the more mundane aspects of the ever
16 increasing U.S. asbestos litigation, the writs coming in,
17 insuring that they would be sent out to the appropriate
18 people, and I was also carrying out an exercise to do with the
19 U. K. asbestos litigation in respect to some insurance
20 litigation that they were involved in.

21 Q. Okay. When you first went to work with Mr. Atkinson, was
22 there anyone else doing this work at T&N?

23 A. The work I was doing, no.

24 Q. So you're the only one at the time?

25 A. I was the only one doing that kind of work, yes.

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1 Q. And that changed over time, didn't it?

2 A. Yes, it did.

3 Q. How did it change?

4 A. It changed in the sense that there was more work and
5 perhaps more projects came along and it was necessary to take
6 on more assistants.

7 Q. Okay. I'd like to talk with you about some of the work
8 you and the assistants were doing. Your CV said you supervised
9 others working in this asbestos litigation. Can you describe
10 for us what your supervisory work was?

11 A. Yeah. There were two sort of different elements to that.
12 There were quite a number of long-term temporary assistants
13 engaged in going through the asbestos files in the repository
14 doing work on that and I didn't supervise their work until --
15 I just supervised their filling in of time sheets and the
16 hiring of them and that sort of thing. And then later on there
17 were more -- there was more direct response to me as both the
18 U. S. and the U. K. got busier. So, we would -- I would have
19 people doing this work who reported to me, and also later on
20 going through claims files for U. K. asbestos litigation where
21 they were directly responsible to me.

22 Q. So, at first you helped put together the staff; is that
23 correct?

24 A. Yes.

25 Q. Okay. And then the staff over time began to report to you

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1 on projects, correct?

2 A. Yes.

3 Q. Your CV also indicates that you regularly produced
4 reports for the Group Solicitor and again this is this period
5 1985 before you become the U. K. claims manager. Can you
6 describe what sort of reports in general you were doing for
7 the group solicitor at that time?

8 A. Yeah. There were many to do within U. K. asbestos
9 litigation. When I arrived there was no database, it was all
10 done on index cards, and I had sort of took over of noting
11 when claims came in and how much it settled for, which
12 companies they were against and that sort of thing, so on a
13 monthly basis I would analyze what had happened that month and
14 prepare a report for Mr. Atkinson.

15 Q. Okay. And during that period was asbestos litigation for
16 T&N, Ltd. growing at all?

17 A. Yes.

18 Q. How would you characterize that growth?

19 A. From being fairly steady it seemed to just take-off.

20 Q. And you mentioned also that you worked on databases. I'd
21 like to talk with you some more about that. Can you describe
22 what types of databases you participated in putting together?

23 A. Yes. Initially, it was a database to record U. K. claims.
24 And about the same time we developed a database to register
25 the U. S. claims that were coming in in large numbers. We were

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1 only doing it really as a record at that stage. Because so
2 many were coming in and it was clear that some of them were
3 duplicates and we were sending them out, and if we didn't have
4 some sort of record, it was very difficult to know what was
5 coming in and what was going on out, so it was really to do
6 that at the very beginning for the U. S.

7 Q. So the database was to keep track of the claims?

8 A. It was to keep track of the claim. I mean, later on we
9 got more detail and more information, but initially it was
10 just to identify -- enough information to identify that this
11 was a unique claim.

12 Q. And over time I think you just mentioned the database
13 added different types of information. What types of
14 information for the U. K. database were added later?

15 A. Yes, it started off originally as a PC based one, it was
16 fairly -- that was in the late eighties and it was fairly
17 basic. We went onto a main frame and added more information.
18 And then in around '95/'96, we went back to a PC based one
19 which gave us much more information and an ability to produce
20 our own reports rather than going to our IT department.

21 Q. Okay. And what sort of data about the claims were kept
22 on the database as it developed?

23 A. In the U. K.?

24 Q. In the U. K., yes.

25 A. The usual things, the claimant's name, date of birth,

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1 date of death if applicable, disease, underlying disease, date
2 claims received, the claimant's solicitor, our own solicitor,
3 which of the T&N companies would be in the most cases the
4 employer, the job description and the periods over which they
5 worked, the jurisdiction. And then if it were a different --
6 if it were a third-party claim, there would be a little bit of
7 extra information on that, the third-party plaintiff who was
8 bringing us in. If it was a product liability claim, it would
9 be the name of the product that was alleged the claimant was
10 exposed to. Then we also kept reserves against each of the
11 claims that were reviewed over time, so we have a reserve,
12 again, for what we thought the claim would settle for and how
13 much the cost was likely to be. There was also a field to
14 capture settlement information.

15 Q. If could you move the mike just a little bit still, it
16 might be --

17 A. Mr. Hanly was taller.

18 Q. So if I understand correctly, the database, at this time
19 it's increasing in terms of its size, number of claims and its
20 increasing in terms of type of data that's kept; is that
21 correct?

22 A. Yes, that's correct.

23 Q. And is that something you're working on personally?

24 A. Yes, yes.

25 Q. Now, how was the U. K. database used to generate reports?

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1 What sort of information would you use to give to the Group
2 Solicitor?

3 A. There were standard reports done on a monthly basis, the
4 number of claims that had come in, the number of claims that
5 had settled, how much we'd spent. It probably would be broken
6 down into the different unit companies and possibly into the
7 type of claim, either EL or PL.

8 Q. And what does EL stand for?

9 A. Employers liability or public liability.

10 Q. And aside from your work on the claims database, did you
11 do any work on a document database?

12 A. Yes.

13 Q. What sort of work did you do on a document database?

14 A. Well, in sort of around 1993 it became clear that because
15 a lot of our documents were already out there because of Chase
16 Manhattan and others, it became clear that we were going to
17 have to be more responsive in the U. K. to discovery requests,
18 and in order to do that, we needed to create a database, which
19 we did, along side an imaging process as well. So, I looked
20 for people who could do this for us and found Peterson's, who
21 are a U. S. company who had been involved with the CCR and
22 they had -- they did a lot of work. I had worked with them
23 for several months in ways of -- which sections the documents
24 were going to be put on and which were going to be added, what
25 levels we were going to use. Some of them we had the full

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1 range, we had them imaged as well as a database, and others we
2 just had the database element of it.

3 Q. I think you just mentioned that project was in 1995?

4 A. No, I started that in 1993 I started that, and we'd run
5 our first list of documents from it in June 1994.

6 Q. Okay. And before you worked on that document database,
7 did you have experience with T&N's documents about asbestos
8 liabilities before then?

9 A. Yes, to an extent, because U. S. lawyers would come over
10 and to an extent I would perhaps help sometimes with that.

11 Q. Okay. Now that we've discussed your early years at
12 Turner & Newall, I'd like to discuss what you've been doing
13 the last ten years since you've become the Asbestos Claims
14 Manager for the company. Do you have any -- as Asbestos Claims
15 Manager, have you had any settlement authority for T&N?

16 A. Yes.

17 Q. Okay. And could you describe the nature of that
18 authority and how you worked with the outside solicitors?

19 A. Well, when an asbestos claim is received in the U. K. or
20 was before administration, I would immediately instruct
21 outside counsel. We always used outside counsel and I worked
22 with them right the way through to settlement. And at each
23 level they would come back and report to me on the progress
24 and how much they thought the claim was worth and look for
25 authority at each level to settle. So, it was sort of a joint